

Monday 26 November 2018, 5.00-7.00pm

Village Hotel, Forstal Road, Maidstone, ME14 3AQ

AGENDA

	Approx time	Page
1. Welcome, introductions and apologies for absence	5.00	-
2. Declaration of Interests	5.05	-
3. Minutes of previous meeting, matters arising & action tracker.	5.10	2 & 9
4. Lower Thames Crossing – Presentation by Tim Jones, LTC Project Director at Highways England	5.20	<i>Presentation & please see separate HE documents</i>
Following this, there will be a short presentation on the key messages received so far from KMEP stakeholders in response to the LTC consultation, before a broader discussion / Q&A session.		
5. The Kent Highways Corridor – Presentation by Karen Davies or colleague at Highways England	5.50	<i>Presentation</i>
6. SELEP Strategic Economic Plan – Presentation by Ross Gill of SQW and Adam Bryan of SELEP	6.10	<i>Presentation & please see separate draft SEP</i>
7. A28 Chart Road Update and Decision	6.30	10
8. Local Growth Fund 1, 2 & 3: Delivery Progress Report	6.45	17
9. AOB	6.55	-
For information items:		
A. KMEP and SELEP <u>new</u> future meeting dates		51
B. State of the Kent & Medway Economy		<i>Please see separate document</i>

ITEM 3A

Date: 26 November 2018

Subject: DRAFT MINUTES of a meeting of the Kent & Medway Economic Partnership (KMEP) held at the Village Hotel, Maidstone on 18 October 2018.

Attendees:

KMEP Board Members

Geoff Miles (Chair | The Maidstone Studios)

Paul Barrett (C4B Business & Barretts Motors)

Andrew Bowles (Swale Borough Council)

Paul Carter (Kent County Council)

Gavin Cleary (Locate in Kent)

Martin COX (Maidstone Borough Council)

Sarah Dance (Sarah Dance Associates)

Nick Fenton (Hodson Developments & Kent Developers' Group)

Richard Finn (Richard Finn Ltd)

Peter Fleming (Sevenoaks District Council)

Jo James (Kent Invicta Chamber of Commerce)

Tracey Moore (Tunbridge Wells Borough Council alternate)

Paul Thomas (Dev. Land Services Ltd)

Rupert Turpin (Medway Council alternate)

Prof. Mike Weed (Canterbury Christ Church University alternate)

& Chris Brodie (SELEP Chairman)

Observers & Presenters in attendance

Adam Bryan (SELEP), Jake Body (KCC), David Candlin (TWBC), Nicholas Churchill (CCC), Steph Durling (Produced in Kent), Helen Dyer (MC), Katharine Harvey (FHDC), Stuart Gibbons (SELEP Rural Group), Simon Hookway (GBC), Dave Hughes (KCC), Richard Longman (TGKP), Sarah Nurden (KMEP), Karla Philips (KCC), Emma Rands (KCC), Jeremy Whittaker (TMBC), Mike Whiting (KCC), Emma Wiggins (SBC).

Apologies:

KMEP Board Members

Bob Bayford (Thanet District Council), James Beatton (Cripps LLP), Rodney Chambers (Medway Council), Miranda Chapman (Pillory Barn Design Ltd), Gerry Clarkson (Ashford Borough Council), Simon Cook (Canterbury City Council), Simon Cook (Mid Kent College), Nicolas Heslop (Tonbridge & Malling Borough Council), Douglas Horner (Kent Ambassador), David Jukes (Tunbridge Wells Borough Council), Jeremy Kite (Dartford Borough Council), Andrew Metcalf (Maxim PR), David Monk (Folkestone & Hythe District Council), Keith Morris (Dover District Council), Jane Ollis (IOD). Jon Reagan (Hugh Lowe Farms Ltd & Weald Granary Ltd), Prof. Rama Thirunamachandran (Canterbury Christ Church University), David Turner (Gravesham Borough Council), and Paul Winter (Wire Belt Company Limited).

Item 1 – Welcome, introduction and apologies.

- 1.1 Mr Geoff Miles (the KMEP Chairman) welcomed attendees to the meeting, and accepted the apologies as listed above.

Item 2 – Declarations of interest

- 2.1 No declarations of interest were received.

Item 3 – Minutes of previous meeting, matters arising and action tracker

- 3.1 A comment was wrongly attributed in the draft minutes of 24 September 2018. When the LEP Review was discussed, it was Jo James that *‘commented that few business representatives would be willing to take on additional legal exposure as part of their voluntary role on the LEP. She felt moving the membership from a position of parity to two-thirds business representatives did not fit well with the concept of partnership. Business representatives welcomed the constructive input of council leaders at LEP and federated board meetings, and she referred to the detailed knowledge, expertise, and resources that council leaders contribute to the partnership’*. With this change, the minutes of the previous meeting were agreed as a correct record and signed by the Chairman accordingly.
- 3.2 The KMEP Chairman sought the agreement of the Board to withdraw the LGF3b motion from SELEP Strategic Board’s consideration that read *“KMEP is asked to agree the principle that Local Growth Fund (LGF) existing schemes seeking a change in scope are prioritised ahead of new funding requests, in order to safeguard the investment made to date and to prevent abortive costs. This principle would then be put forward to the SELEP Strategic Board for consideration”*. The Chairman explained that there had been confusion in other areas over whether KMEP wanted this principle to apply to all four federated boards in SELEP. The Chairman explained this was not the original intention when he proposed the recommendation. The KMEP Chairman proposed that this recommendation would solely apply to projects in Kent and Medway, and the KMEP Board Members agreed to this.
- 3.3 Paul Thomas requested partners continue to lobby for a) the retention of the existing High Speed train services from Maidstone West to London St Pancras, and b) the re-introduction of a train service from Maidstone East to the Thameslink termini in London.
- 3.4 The KMEP Chairman referenced the recent decision of SELEP to record the audio of its meeting, and asked KMEP if it would agree to replicate that arrangement for KMEP. A vote was taken and the Board agreed, so the audio of future KMEP meetings will be recorded and placed online to increase accountability and transparency.

Item 4 – Good Food Growth Campaign

- 4.1 Sarah Nurden (KMEP Strategic Programme Manager) explained that SELEP’s Rural Working Group is seeking a £60,400 grant of Sector Support Funding for its ‘Good Food Growth Campaign’. The SELEP Strategic Board has already approved the allocation of this funding for the campaign, subject to KMEP endorsing the proposal.

- 4.2 Steph Durling (Produced in Kent) and Stuart Gibbons (SELEP Rural Group) gave a short presentation to the Board on the Good Food Growth Campaign. Key comments included:
- Produced in Kent has been involved since the inception of the Good Food Growth Campaign.
 - Produced in Kent is the only food and drink organisation of its kind located in the SELEP area, and they are happy to lend their support.
 - The Good Food Growth Campaign aims to support producers and suppliers wishing to develop new routes to market. This targeted campaign can help companies across SELEP sell their products.
 - The campaign will result in three half-day conference being held across SELEP, which should attract more businesses to attend as there is not so far to travel.
 - The campaign will involve using specialist companies to supply insight and guidance to the interested businesses. The organisers will also seek to get anecdotal insights from established local food retailers.
 - The organisers intended to work with food champions in each county where they are available.
 - The campaign would also involve delivering B2B events (Business 2 Buyer) events, which more inexperienced companies have found incredibly useful previously.
 - At the B2B event, companies will receive branding guidance, and how best to reach out to customers, hear about market research for new product development, and hear from the buyers about how to get listed.
 - At the end of the campaign, a LEP-wide document will be published and an overarching conference held.
 - Produced in Kent has had experience of running B2B events. At an event held with the Co-op, 20 local suppliers attended, and of those 8-10 were successful in getting listed.
 - The organisers will be approaching Morrisons about being one of the buyers at the event.
 - Finally, there will be a bespoke piece of work on rural strategy produced.
- 4.2 A vote was taken, and the KMEP Board unanimously endorsed the proposal for the Good Food Growth Campaign to receive a £60,400 grant from SELEP's Sector Support Fund.

Item 5 - Strengthened LEPs: The LEP Review

- 5.1 Chris Brodie (SELEP Chairman) and Adam Bryan (SELEP Managing Director) gave a presentation to the board on the proposed SELEP response to the Government's LEP Review.
- 5.2 Chris Brodie introduced the item by explaining that the Secretaries of State have implied that LEPs will not be forced to fully implement all the requirements of the Review, however, they have been clear that, if a LEP were not to conform, then that would penalise that LEP's access to the UK Shared Prosperity Fund. The SELEP Chairman, Vice-Chairmen and Managing Director will be seeing civil servants on 22 October to test the draft SELEP response.
- 5.3 Adam Bryan then presented the key messages that the SELEP team thought could form the basis of the SELEP response. These included:
- A commitment by SELEP to produce an annual delivery plan and end-of-year report. The annual delivery plan will be taken to the SELEP Strategic Board in March 2019 for approval, and there will be regular reporting of key performance indicators to the SELEP board.
 - Continuation of SELEP's current practice of openly engaging with the business community before appointing a new Chairman. SELEP will continue to deploy a non-executive search

approach. The process will be run in early 2020 to align with the end of the current Chairman's tenure.

- Continuation of SELEP's two-year term limit for private sector members of the board. Adam Bryan proposed the possibility of moving to an advisory 'cabinet', comprised of the Federated Board Chairmen, and there would be a sole SELEP Deputy Chairman selected from this group, and rotated every 6 months.
- Adam Bryan showed three potential options to KMEP with regard to SELEP's Strategic Board composition and size. The options were:
 - *Retaining the status quo of 28 members, or*
 - *Pursuing a model of 22 members + 5 co-opted members (27) which would require pragmatism from Government, or*
 - *Indicating what a board of 20 with 2/3 private sector might look like and discussing the limitations of this.*
- A commitment to improving SELEP's gender balance and representation of those with protected characteristics. SELEP team proposal is to develop a voluntary code of conduct to address gender diversity by early 2019.
- An explanation that SELEP's secretariat is already independent of local government, and the response would indicate how this independence is ensured.
- An agreement to move to a new legal personality but *only* on the basis that it maintains SELEP's standards of transparency and retains SELEP's federated model and existing arrangements such as the Accountability Board – which represents best practice. The proposal is to push back on the implementation date to October 2019.
- A commitment to retain a single accountable body.
- A continued commitment to hold an Annual General Meeting. The AGMs will be developed into bigger events to satisfy these requirements, and the next AGM will be held in July 2019.
- A commitment to update the existing SELEP Assurance Framework to ensure compliance with the new National Assurance Framework, once it is published.
- In relation to ensuring external scrutiny and expert oversight, SELEP Accountability Board decisions are already subject to call in and scrutiny and SELEP believes this offers the best of external and democratic scrutiny. Adam noted that decisions made by a private company board are final and therefore cannot be scrutinised by a local authority, therefore it may be difficult to find a solution that both places decisions within a private company and subjects those decisions to public scrutiny. SELEP will encourage Government to consider this.

5.4 In response to these suggestions, the KMEP Board made the following comments:

- Changing the board composition or size would strike at the heart of the federated model. KMEP would be very unhappy if the SELEP response were not to strongly push back to Government staying that the status quo must be retained in terms of private-public representation and retaining the 28 board members. This will enable key partners, such as the planning authorities to retain a seat at the SELEP table. This is critical given SELEP's agenda to support housing and economic growth.
- KMEP board members repeated that they do not support the movement towards a two-thirds private sector partnership. KMEP board members asked that the sentiment was clear and unambiguous in the SELEP response. KMEP business members are concerned about the will of the private sector to undertake this voluntary role, given the additional requirements being placed on them, and the democratic deficit that would arise.
- There was grave concern about the proposal to have only one SELEP Deputy Chairman, as this would undermine the federated model. KMEP strongly urged SELEP to maintain the current arrangements of having 3 Vice-Chairmen.

- Several KMEP board members asked that the SELEP team take this opportunity to explain to Government how the federated board models works, and the added benefits that the federated board model brings.
- Paul Carter reflected on a recent conversation with Rt. Hon. James Brokenshire M.P. the Communities Secretary was aware that many leaders of county shire authorities were not amused by the reforms including in the LEP Review. He did acknowledge that there are different governance arrangements that LEPs may have below the Strategic Board level, which may potentially indicate an understanding that larger LEPs may benefit from federated boards.
- Chris Brodie recalled his conversation with Melanie Dawes, the Permanent Secretary at MHCLG. She recognised that SELEP was one of the largest LEPs in the country, and that larger LEPs may require some added flexibility in terms of board size.
- Members supported and welcomed the move towards improving the gender balance, however, asked SELEP to reflect that there must be meritocracy, with the right person with the right skill set appointed to the job.
- On establishing a new legal personality, board members spoke of the added complexity that setting up a company would bring, without any notable benefit. There would need to be directors' insurance, and there would be audit and VAT implications. There is the question as to who would be the owners and shareholders of the company. Peter Fleming commented that if SELEP were to become a company then, as a Director, one's first call is to the company, not to the local authority that sent you. Tracey Moore commented on the lack of value for money of a company compared to the more efficient current system. KMEP requested SELEP reject this reform.
- Chris Brodie clarified that being a legal entity is one reform that the Government are clearly keen for all LEPs to implement. He stated that a SELEP company must maintain the current ways of working with the federated boards, the SELEP Accountability Board, and the levels of transparency. However, he felt that SELEP must demonstrate that it is prepared to go down this route. Sarah Dance did comment that having legal status can be helpful on occasion, for example when SELEP's creative working group wished to apply for some creative funding recently, it experienced difficulties as only companies could apply.
- Gavin Cleary referred to the existing Accountable Body scrutiny arrangements, and how this already ensures that there is appropriate and transparent decision-making.
- Richard Finn asked about the contingency arrangements if the Government were to reject the SELEP response, and say SELEP's board composition and federated board representation must change. Chris Brodie responded that, if that were to happen, the responsibility would fall to the local areas to negotiate on how to progress.
- Chris Brodie stated that the comments made by KMEP generally reflect the views expressed by the other SELEP federated boards.

5.5 The Chairman thanked Chris Brodie and Adam Bryan for attending. The draft SELEP response to the LEP Review will be revised to reflect the feedback of SELEP's federated boards, and be taken to the SELEP Strategic Board on 25 October 2018 for endorsement. If approved, it will then be submitted to the Government.

Item 6 – Garden Communities

6.1 Jeremy Whitaker (of Tonbridge & Malling Borough Council) and Emma Wiggins (of Swale Borough Council) gave a presentation. They explained that the Government had recently launched a Garden Communities Prospectus. This Prospectus invites local areas to submit bids for ambitious, locally supported, proposals for new garden communities at scale. In return for tailored assistance to help design and deliver the vision for these places, the

Government expects local areas to deliver significant housing and economic growth. The expressions of interest from interested parties are due to be submitted onto the Government portal by 9 November 2018.

- 6.2 Jeremy Whitaker explained the Tonbridge & Malling Borough Council proposal is for a 150 hectare site. The proposed 'Borough Green Gardens' settlement would be a mixed-use development comprising 3,000 homes (delivered by 2038), a relief road for the existing settlement, 2 hectares of employment land, 2 primary schools, community and neighbourhood hubs, local shops, publicly accessible open space, healthcare provision and would have good connectivity to the adjacent existing settlement.
- 6.3 Emma Wiggins explained the Swale Borough Council proposal is for support for its process by which a number of new garden communities will be assessed as part of the Council's Local Plan review. The bid indicates that potentially some 8,100 new homes could be provided as new mixed use communities up until 2038. Depending on the scheme(s) chosen, there is the potential for employment provision of over 120,000 sq. m, transformational transport infrastructure, new secondary and primary schools and health and community facilities.
- 6.4 Officers from Ashford Borough Council (ABC) were unable to attend KMEP due to the ABC Council meeting taking place that evening. Consequently, the KMEP Chairmen read out details regarding the Council's proposal. The Ashford Borough Council proposal is to develop a programme management and delivery capacity across a strategic development area south of Ashford – encompassing land at Chilmington Green and key sites around Kingsnorth. The aim is to apply the knowledge and experience from the Chilmington development currently underway to the wider area around Kingsnorth by delivering new garden communities across the south of Ashford. The total development comprises some 7,250 homes and around 1,500 jobs, plus new primary and secondary schools, community and sports centres, a health centre and with the potential of increasing the number of houses at the next local plan review. The Ashford Borough Council bid will add significant value to the south-east economy and infrastructure and help to accelerate the delivery of large scale housing growth to high place-making standards.
- 6.5 The KMEP Chairman explained that all three councils sought a letter of support from KMEP and SELEP, which could accompany the expressions of interest. A vote was taken for each proposal. There was unanimous support for the Ashford and Swale proposals. It was noted that the Borough Greens Garden may result in additional traffic movements on the A25, and for this reason, the Leader of Sevenoaks District Council abstained from the vote on the Tonbridge & Malling proposal. Apart from this abstention, the KMEP Board Members voted in support of the Borough Green Gardens' expression of interest.

Item 7 – Any Other Business

- 7.1 Paul Thomas requested that a list of key issues and infrastructure requests is created that can be shared with Members of Parliament.
- 7.2 Engagement with MPs was discussed, as KMEP Board Members are eager for two-way dialogue with the MPs. Andrew Bowles recommended that it may be more effective to approach them on a one-by-one basis, rather than seeking to bring all the local MPs together in one arena. Paul Carter recommended inviting Kelly Tolhurst, the Parliamentary

Under Secretary of State, Minister for Small Business, Consumers and Corporate Responsibility to a Business Advisory Board meeting.

ITEM 3B

Date: 26 November 2018

Subject: Action Tracker and Progress Update

The table below provides a brief update on matters previously discussed by the Board, central government policy and consultation announcements, and give notices about forthcoming events.

Topic	Progress update
Brexit	The Prime Minister has given a statement to Parliament on the Draft Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community, as agreed at negotiators' level on 14 November 2018. This document is available to read at: https://ec.europa.eu/commission/sites/beta-political/files/draft_withdrawal_agreement_0.pdf
Garden Communities	As per KMEP's request, the Chairman has sent a letter of support for the garden community proposals proposed by Ashford Borough Council, Swale Borough Council and Tonbridge & Malling Borough Council.
KMEP meeting dates	Please find the new KMEP meeting dates for 2019-20 in the appendix.
Kent Business Summit	Kent Business School, in partnership with the Institute of Directors (IOD), Federation of Small Businesses (FSB), and locate in Kent (LiK) is hosting a Kent Business Summit on Friday 11 January. If you wish to attend, please register at: https://kenthospitality.kent.ac.uk/Register/Registration/Welcome.aspx?e=52575041F77F279CF1FA10AE14428DC5
LEP Review	At the time of writing, there had been no response from Ministers regarding the LEP Review submission.

ITEM 7

Date: 26 November 2018

Subject: A28 Chart Road Update and Decision

Report author: Lee Burchill, Kent County Council LGF Programme Manager

Summary

The purpose of this report is to make KMEP aware of the latest progress and issues relating to the delivery of the A28 Chart Road project (the Project).

The report provides an update on the funding risk for the Project and the options currently under consideration.

Recommendations

KMEP is asked to:

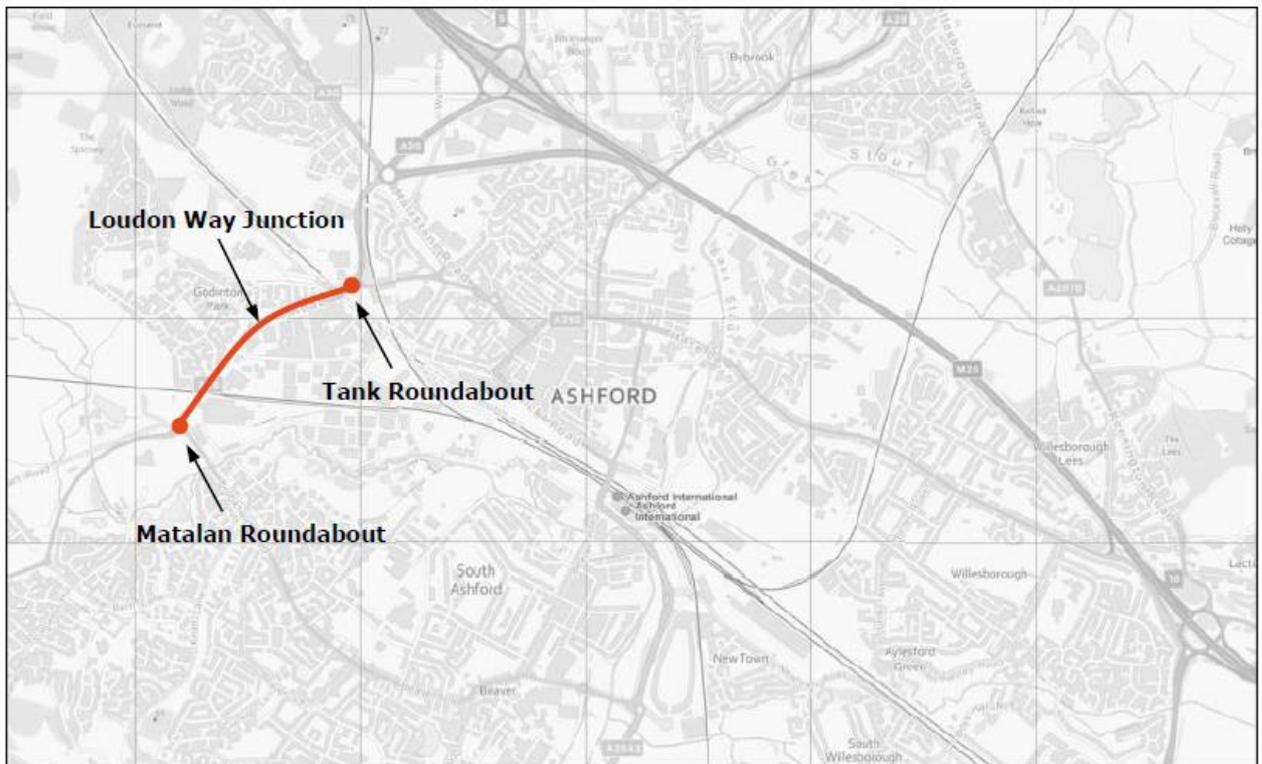
- Note the progress made to date towards the delivery of the project and the funding risk as set out in this report.
 - Note the requirement by Kent County Council (KCC) for Chilmington Green developers to provide confirmation that their funding contribution to the construction costs of the project is available (as set out in the confidential appendix).
 - Agree its preferred option for proceeding if a positive response has not received from the Developer regarding the security bond. This preferred option will then be taken to the appropriate SELEP Board for ratification.
-

1. Introduction and background

1.1 The A28 is the main route serving south and west Ashford. The route runs north-south on the western side of the town and connects to the A20/A292 to the north, and ultimately, the strategic highway network via the M20. Improvements have already been made from the A28 'Tank' roundabout up to and including its connection with the M20 at Junction 9.

1.2 Southwards from the 'Tank' roundabout over the railway to the 'Matalan' roundabout the A28 is a single carriageway that has poor alignment over the railway and has regular congestion and unreliable journey times. This results in slow moving traffic along the corridor in both directions contributing to higher than normal emissions from vehicles.

- 1.3 The current highway infrastructure along the A28 is inadequate to deal with existing conditions in Ashford and further development is only going to exacerbate problems further.
- 1.4 To ease this congestion and provide additional highway capacity to unlock the strategic housing growth identified in Ashford's Local Plan (including the Chilmington Green development), the South East Local Enterprise Partnership (SELEP) awarded £10.2m of Local Growth Funding on 12 February 2016 to the A28 Chart Road project.
- 1.5 The A28 Chart Road Project will see the dualling of the existing A28 Chart Road carriageway with two lanes being provided in both directions between Matalan (Brookfield Road) and Tank (Templer Way) roundabouts, separated by a central island. A new bridge over the railway line is proposed to take the southbound carriageway with the existing bridge carrying the northbound carriageway. The existing carriageway between Matalan and Tank is single carriageway with limited capacity.
- 1.6 The figure below shows the location of the project:



- 1.7 The Matalan and Tank junctions will both be enlarged to accommodate increased capacity stemming from the carriageway upgrade. The Loudon Way signalised junction will be retained but will be improved with more efficient signals, new pedestrian and cycle crossing facilities and dedicated right and left turning lanes from Chart Road.

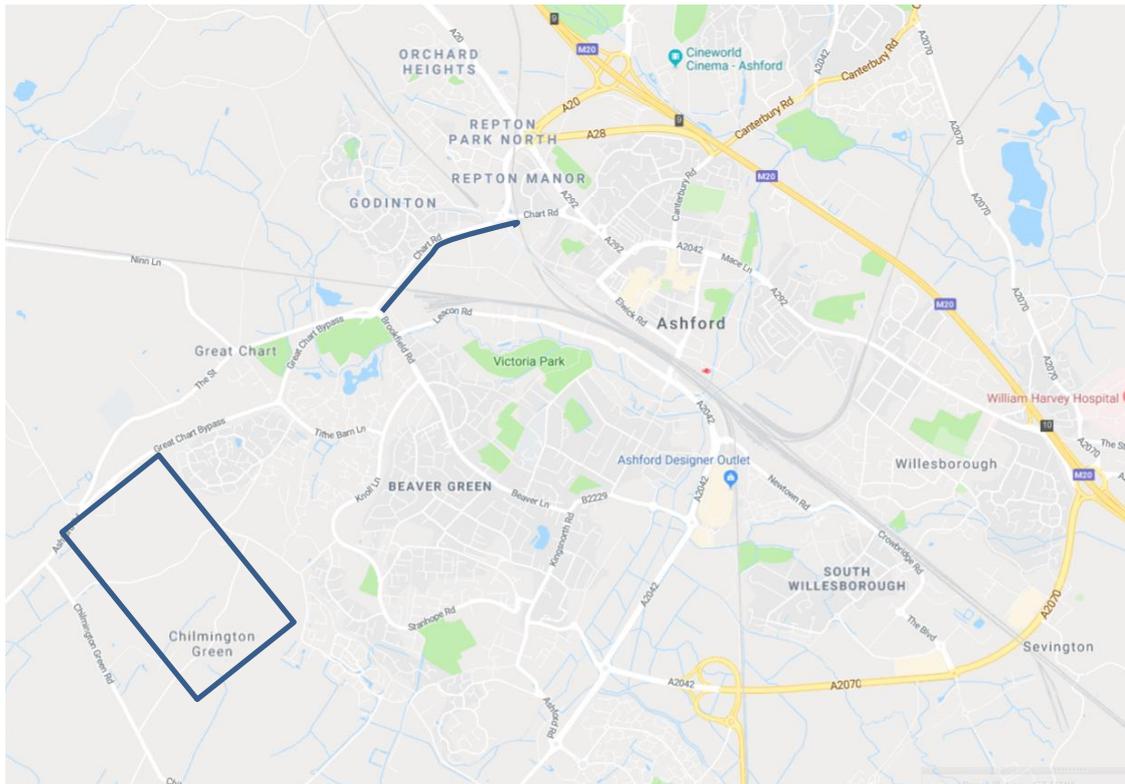
2. Strategic Housing Growth

- 2.1 The proposed Chilimington Green development is located approximately 6km to the south west of Ashford town centre and lies to the east of the A28 corridor. A planning

condition has been imposed that the A28 will require upgrading in order to carry the expected level of demand attributable to the Chilmington Green development. The development will comprise:

- Up to 5,750 dwellings;
- Up to 10000 sqm of B1 use class;
- Up to 9000 sqm of A1-A5 use classes;
- Three primary schools for up to 1200 pupils; and
- A site for a Secondary School for up to 1080 pupils.

2.2 The approximate location of the Chilmington Green development in relation to the A28 Chart Road is shown below:



2.3 In addition to Chilmington Green, a number of other proposed developments are expected to go ahead in the town over the coming years which are predicted to deliver between 3,200 and 6,000 homes by 2030. It should be noted that these figures are for the town of Ashford alone and do not consider the likely development in the surrounding area that could affect Ashford and its highway infrastructure.

3. Objectives of the A28 chart Road Project

3.1 The approved business case for the Project presented the following objectives:

- Provide additional capacity on the road network to improve traffic flow
- Alleviate congestion along the A28 Chart Road
- Improve journey time reliability along the A28 Chart Road.
- Improve road safety along the A28 Chart Road.
- Reduce environmental impacts for local residents.

- Support the economy by supporting the delivery of houses and jobs.

4. Project funding contributions

- 4.1. To supplement the £10.2m LGF contribution to the Project, the Chilmington Green developer (the Developer) has contributed £1.41m towards the development of the Project and is funding the remaining construction costs of the project. This funding is committed through a Section 106 agreement, for the Developer to mitigate the impact of the planned development at Chilmington Green. The detailed funding breakdown is provided as a confidential appendix, as the total cost of the Project is subject to ongoing land negotiations.
- 4.2. To date, £2.756m of LGF has been spent on the Project. In addition the £1.41m developer contribution to the Project development work has been received by KCC, which has been spent in full.
- 4.3. The agreed funding arrangement with the Developer is that KCC forward fund their contribution to the Project which is then paid back to KCC by the Developer over a ten-year period.
- 4.4. To safeguard KCC of any risk of non-payment and to recover interest charges, the agreement included a provision for the Developer to provide a security bond (the Bond) prior to awarding the construction contract.
- 4.5. The 6-week security bond notice was issued to the Developer on 14 December 2017, requiring the bond to be provided by 26 January 2018. Although a bond hadn't been provided, positive discussions were ongoing with the Developer, Ashford Borough Council and Homes England leading to a decision to start the vegetation clearance works on 15 February 2018.
- 4.6. The vegetation clearance works were required to commence in February prior to the start of the bird nesting season. However, when it was clear there were issues with the provision of the Bond the vegetation clearance was suspended and finally stopped when the decision was made to defer the Project from commencing in 2018.
- 4.7. A clause is included within the Section 106 agreement, restricting the Developer from occupying more than 400 dwellings until the Bond is provided. The Developer has started the foundations for the first 70 units and their most recent build-out trajectory predicts that the 400 occupations would not be reached until 2022/23.
- 4.8. KCC is unable to progress with the Project and award the construction contract until the Bond is provided by the Developer, which will delay the delivery of the Project. The contractor has completed the Stage 1 Early Contractor Involvement (ECI) Contract and is currently on standby awaiting a decision from KCC as to whether the funding is available to continue with the award of the Stage 2 construction contract.
- 4.9. KCC, Ashford Borough Council and Homes England have met recently with the Developer to discuss both the S106 conditions and the Bond for the Project. All parties agreed that it

would be disappointing to lose the LGF funding as inevitably it will impact on viability and affordable housing may well be the long-term loser. As a result, the Developer has expressed a desire to make an upfront payment to KCC to cover the liability of delivering the Project, but a funding commitment has not yet been provided.

5. Options for consideration

- 5.1 KCC is currently considering a delivery option where the Developer provides an upfront payment to KCC to cover their funding contribution. KCC will then be able to re-mobilise their contractor to commence construction of the Project during 2019. This option is anticipated to extend the delivery programme, but would still enable the full Project to be delivered by March 2021.
- 5.2 A letter has been sent by KCC to the Developer requesting this upfront payment and for this payment to be confirmed by 2nd November 2018. However, at the time of writing this report, KCC had not received the funding commitment from the Developer.
- 5.2 KCC has continued to complete the required land acquisitions and remaining design work. As it stands KCC's Contractor is still in place to deliver the Project, however, the current ECI contract will need to be closed imminently to avoid further potential costs if a bond or an upfront payment is not provided by the Developer. Should a decision on delivery be deferred beyond 31st December 2018, then it is likely that KCC will need to re-procure a new contractor.
- 5.3 This Project is clearly a strategic priority for KCC, ABC, KMEP and SELEP due to the substantial scale of housing delivery which will be unlocked by the Project. However, currently the Developer is not meeting their Section 278 obligation to provide their funding contribution to the Project until the Section 106 agreement trigger is reached for the occupation of 400 homes. As this is not expected until 2022/23, this would substantially delay the LGF spend beyond the Growth Deal period.
- 5.4 The current message from Government reaffirms the requirement for LGF to be spent in full before the end of the Growth Deal period, therefore there is a high risk to the deliverability of this Project.
- 5.5 If a positive response is not received from the Developer and the Project cannot progress to enable the delivery of the Project by the end of the Growth Deal period, then the current LGF allocation to the Project may need to be re-allocated.
- 5.6 The SELEP Accountability Board met on 16 November 2018 to discuss this project. At the meeting, the following three potential options for consideration were proposed if the Developer does not provide the Bond or upfront payment. The SELEP Accountability Board decided at their meeting that KMEP, with its local knowledge of the project, should be asked to state which option is its preferred one. Alternatively, KMEP may wish to propose another suggestion or a combination of the options listed below. KMEP's preferred option will then be taken to SELEP to ratify and implement.

- **Option 1** – Cancellation of the Project from the LGF programme due to being undeliverable within the Growth Deal period. The impact of this option would be:
 - + This would enable the £10.2m allocated LGF to be re-allocated to a Project which can demonstrate deliverability within the Growth Deal period and greater certainty of benefit realisation.
 - The £2.756m LGF spend on the Project to date may become an abortive cost if the LGF spend to date is no longer accounted for by KCC as a capital cost. If the project spend to date became a revenue cost then the LGF capital funding would need to be repaid to SELEP.
 - The delivery of the Project will be delayed and the considerable scale of benefits associated with the delivery of the Project would be delayed or not be realised.

- **Option 2** – The Project is put on hold but the LGF remains allocated to the Project. The impact of this option would be:
 - + There are no abortive costs to be repaid to SELEP, if the Project is able to proceed at a future date.
 - The LGF would remain unspent within the Growth Deal period. This goes against Government’s expectation that all LGF must be spent by the end of the Growth Deal project; 31st March 2021.

- **Option 3** – The Project is put on hold and the LGF is reallocated through the LGF3b process, but the Project is prioritised for future funding opportunities, such as the Shared Prosperity Fund. The impact of this option would be:
 - + The hold of the Project would prevent abortive Project costs needing to be repaid to SELEP
 - + The re-allocation of the LGF through the LGF3b to new pipeline Projects would ensure that the LGF is spent within the Growth Deal period, to meet the requirements from Central Government and drive the realisation of benefits.
 - The requirements for future funding opportunities are currently unclear and as such, there is no certainty that the Project would secure future funding, such as the funding through the Shared Prosperity Fund.

5.7 A view is being sought from Central Government on the likely implications of the Board agreeing Option 2, which would risk extending the LGF spend beyond 31st March 2021, given the strong message from Government that all LGF must be spent within the Growth Deal period.

5.8 Furthermore, discussions are due to be held with KCC and Central Government to agree the maximum timescale over which the Project can be held before the capital expenditure on the Project becomes an abortive cost.

6. Financial Implications

- 6.1 The impact of further delay in the delivery of this Project means that there is a risk of spend of the LGF outside of the Growth Deal period. Government assess delivery of the Growth Deal through the Annual Conversation meetings, following which the annual LGF allocations are confirmed.
- 6.2 Currently SELEP is able to amend its Growth Deal in line with the Assurance Framework, without seeking approval for such change with Government, however, lack of delivery may impact on this flexibility and also potentially on future funding allocations, such as from the Shared Prosperity Fund.

7. Recommendations

- 7.1 KMEP is asked to:
- Note the progress made to date towards the delivery of the project and the funding risk as set out in this report.
 - Note the requirement by Kent County Council (KCC) for Chilmington Green developers to provide confirmation that their funding contribution to the construction costs of the project is available (as set out in the confidential appendix).
 - Agree its preferred option for proceeding if a positive response has not received from the Developer. This preferred option will then be taken to the appropriate SELEP Board for ratification.

8. Appendices

- 8.1 This report has a confidential appendix (see separate document) which is not for publication as it includes exempt information falling within paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972, as amended.

ITEM 8

Date: 26 November 2018

Subject: Local Growth Fund Rounds 1, 2 and 3: Delivery Progress Report

Report authors: Lee Burchill, LGF Programme Manager, Kent County Council
Joanne Cable, Strategy, Economic Development and LGF Programme
Manager, Medway Council

Summary

This report provides an update on the progress in delivering Kent and Medway's Local Growth Fund (LGF) programme, including those schemes that were allocated funding as part of the most recent round of Growth Deal funding (Round 3).

The Board is recommended to:

1. Note the update on LGF project scheme delivery
 2. Note those schemes that have not met the business case submission deadline set by SELEP and will therefore will not receive the respective LGF allocation. This will result in them being removed from the Kent and Medway programme.
-

1. Introduction

- 1.1 £187 million has been allocated from the Local Growth Fund (LGF) round 1, 2 and 3 to capital projects – primarily transport schemes - in Kent and Medway.

2 Kent and Medway's forecast LGF spend in 2018/19

- 2.1 The spend forecast for 2018/19, as reported and agreed by the South East LEP (SELEP) Accountability Board in March 2018, has been set at £24.867m for Kent and £16.755m for Medway. This is the benchmark for which delivery and spend will be monitored against for the 2018/19 financial year and which will be adjusted based on reporting to the quarterly SELEP Programme Consideration meetings.

3 Spend Profile for 2018/19

- 3.1 The current LGF forecast spend for Kent in 2018/19 = £19.772m (based on update provided for November SELEP Accountability Board meeting).

- 2018/19 Q1 Actual Spend = £2.058m
- 2018/19 Q2 Actual Spend = £4.275m
- 2018/19 Q3 Predicted Spend = £4.357m
- 2018/19 Q4 Predicted Spend = £9.032m

3.2 The current LGF Forecast spend for Medway in 2018/19 = £9.654m (based on update provided for November SELEP Accountability Board meeting).

- 2018/19 Q1 Actual Spend = £0.452m
- 2018/19 Q2 Actual Spend = £1.410m
- 2018/19 Q3 Predicted Spend = £4.058m
- 2018/19 Q4 Predicted Spend = £3.734m

4 Business case development

4.1 Project funding is only secured following the completion of a full project Business Case, its appraisal by the Local Enterprise Partnership's (LEP) Independent Technical Evaluator (ITE) (currently Steer) and approval by SELEP Accountability Board.

4.2 Across Kent and Medway, approval of a business case is required for a number of schemes programmed to spend LGF allocation in 2018/19. Appendix A presents the likely forward plan of business case submissions and approval by the SELEP Accountability Board.

4.3 SELEP introduced a deadline of 16th November 2018 for those LGF projects where there is an indicative LGF allocation to a project, but a business case has not yet come forward for funding award and there is a risk to the spend of the LGF allocation within the Growth Deal period (to 31st March 2021).

4.4 The following Kent and Medway projects were subject to this deadline and therefore required a business case to be submitted before 16th November 2018, to allow a decision at the SELEP Accountability Board on 15th February 2019:

- **Fort Halstead (£1.53m) - Business Case Not Submitted** - There has been a reprogramming of the Defence Science & Technology Laboratory (DSTL) relocation from Fort Halstead to Porton Down to December 2020, which has prevented Sevenoaks District Council being able to demonstrate the delivery of a scheme and spend of the LGF allocation before March 2021. A business case has therefore not come forward for the Fort Halstead scheme before the SELEP deadline of 16th November 2018.
- **A2 Off-Slip at Wincheap (£4.4m) - Business Case Submitted** - A business case has been submitted to SELEP and will therefore be reviewed by the ITE in line with a funding decision by the Accountability Board on 15th February 2019. KCC is still awaiting an outcome from Highways England on the Growth and Housing Fund (GHF) bid, which is for the same amount and is still outstanding. Highways England has confirmed that they are again hoping to take a business case to their investment committee, which is now scheduled for the end of November 2018. If

the GHF bid is successful and the £4.4m is secured from Highways England before the Accountability Board meeting on 15th February 2019 then the submission to SELEP will be withdrawn.

- **Thanet Parkway (£10m) - Business Case Submitted** - A full business case has been submitted to SELEP to be considered as part of the LGF3b process (for an additional allocation of £5m-£8m) in addition to the existing allocation of £10m. The business case will be reviewed by the ITE and then the additional allocation will be considered by the SELEP Investment Panel on the 7th December 2018 before a funding decision on the existing allocation is made by the Accountability Board on 15th February 2019.
- **Rochester Airport Phase 2 (£3.7m) – Business Case Submitted** - A full business case has been submitted to SELEP to be reviewed by the ITE before a funding decision is made by the Accountability Board on 15th February 2019. It should be noted that this element is dependent upon phase 1 of the project progressing.

4.5 It should be noted that previous business case submissions have been put forward to SELEP for the following schemes (or for elements of the following projects). However, either a change of scope is required, or work is ongoing to demonstrate to SELEP how the remaining allocations will come forward for approval:

- Leigh Flood Storage Area and East Peckham Phase 2 (£2.287m)
- Maidstone Integrated Transport Package Phase 3 (£4.9m)
- Medway City Estate Connectivity Improvement Measures (£2m)
- A289 Four Elms roundabout to Medway Tunnel (£11.1m)

4.6 The following programmes of smaller schemes have received annual approval since 2015/16. Therefore, a further business case submission for both programmes will come forward in 2018/19 to unlock the remaining allocations up to the end of March 2021:

- Kent Sustainable Interventions Programme (£1m)
- Kent Strategic Congestion Management Programme (£1.6m)

5 Scheme delivery

5.1 A Red, Amber, Green (RAG) spreadsheet (shown in Appendix C and D) provides an overview of progress in delivering all the LGF capital projects in Kent and Medway.

For the **Kent programme**:

- 12 are Green (business case approved, funding fully secured and delivery on target).
- 10 are Amber (funding not yet secured; or scheme delay or funding issue which can be mitigated);
- 4 are Red (funding not yet secured and significant cost or delivery issues).
- 7 are completed
- 1 has been removed

For the **Medway programme**:

- 3 are Green (business case approved, funding fully secured and delivery on target)
- 4 are Amber (funding not yet secured; or scheme delay or funding issue which can be mitigated)
- 1 is Red (funding not yet secured and significant cost or delivery issues).

6 Recommendations

6.1 The Board is recommended to:

- Note the update on LGF project scheme delivery
- Note those schemes that have not met the business case submission deadline set by SELEP and will therefore will not receive the respective LGF allocation. This will result in them being removed from the Kent and Medway programme.

7 Appendices:

Appendix A: Forward Plan of Business Case submissions (*it should be noted that there were no LGF business case submissions from Kent or Medway at the SELEP Accountability Board meeting on 16th November 2018*).

Appendix B: Details of projects highlighted red in the RAG rating

Appendix C: RAG spreadsheet (Kent County Council schemes)

Appendix D: RAG spreadsheet (Medway Council schemes)

SELEP Accountability Board Forward Plan – Appendix A

Outline business case submission dates	SELEP Accountability Board meeting date	Scheme	Description	SELEP ask
16 th November 2018	15 th February 2019	Thanet Parkway	New Railway Station	Approval for £10m LGF allocation
		A2 Off-Slip at Wincheap	Scheme to deliver an off-slip in the coastbound direction of the A2, to improve accessibility to Canterbury Town Centre, retail + residential area.	Approval for £4.4m LGF allocation
		Rochester Airport Phase 2	Delivery of Infrastructure works to enable the development of Innovation Park Medway	Approval for £3m LGF allocation
		Kent Sustainable Interventions Programme (19/20 and 20/21)	Programme of smaller sustainable transport intervention schemes to compliment larger Local Growth Fund schemes.	Approval for further funding from the £3m LGF allocation
2019 (Date TBC by SELEP)	12 th April 2019	Kent Strategic Congestion Management Programme (19/20 and 20/21)	Programme to identify and deliver congestion improvement schemes on the road network in Kent.	Approval for further funding from the £4.8m LGF allocation
		Maidstone Integrated Transport (Phase 3)	Package of transport improvements in Maidstone	Approval for further funding from the £8.9m LGF allocation
		Medway City Estate Connectivity Improvement Measures	An integrated package of infrastructure measures aimed at addressing the existing barriers to movement to and from and within the Medway City Estate	A revised Business Case is required by SELEP on alternative options which have not been agreed by the Board.
2019 (Date TBC by SELEP)	7 th June 2019	Leigh Flood Storage Area and East Peckham - unlocking growth (Part 2)	Scheme to reduce the risk of flooding to vulnerable communities in the catchment	Approval for further funding from the £4.636m LGF allocation
2019 (Date TBC by SELEP)	13 th September 2019	No schemes approvals currently planned for this meeting		
2019 (Date TBC by SELEP)	15 th November 2019	A289 Four Elms roundabout to Medway Tunnel	Highway capacity improvements to provide journey time savings and reduced congestion.	Approval for the remaining £7.6m LGF allocation

Appendix B

Scheme	Description	Budget	Rag Rating
Medway City Estate connectivity improvement measures	An integrated package of infrastructure measures aimed at addressing the existing barriers to movement to and from and within the Medway City Estate.	£2.094m (inc £2m LGF)	

Progress:

- Phase 1 works are complete, with indications of the anticipated improvement in journey times for vehicles leaving the Medway City Estate being realised.
- A consultation exercise has been undertaken with business owners and employees on the Medway City Estate, to garner wide-ranging views with regard to the modal shift which underpins Phase 2 proposals.

Issue:

- Consultation outcomes indicate low levels of support for the river taxi that was proposed in the Business Case as the primary measure for encouraging modal shift. Low levels of support were seen for other improvements to promote sustainable modes of travel, however, it is considered that the level of support offered is likely to be insufficient for the project to fully deliver the modal shift outcomes specified in the Business Case.

Mitigation:

- Officers are now considering a range of interventions to form Phase 2 of the project which reflect the expectations of businesses and users of the Medway City Estate. This will be undertaken in acknowledgement of the potential role for the project in acting as an agent for change. Proposals will include the retention of elements to encourage modal shift, but accepting that the river taxi will not be an output, focus more on cycling and pedestrian interventions, and the likely inclusion of public realm enhancements as a catalyst for change. Additional support for journey time improvements for drivers entering/exiting the estate (a key factor in the survey responses) will also be considered.
- Proposals as to how the remaining funding allocation will be spent will be developed during Q3 and Q4, with an update being provided to both SELEP and KMEP in advance of the Accountability Board meeting in February 2019.
- Due to the significant change in project scope and objectives a new Business Case will be required before work progresses on Phase 2 of the project. This Business Case will be submitted for consideration by SELEP Accountability Board in early 2019/20.

Scheme	Description	Budget	RAG Rating
A28 Sturry Road Integrated Transport Package, Canterbury	Extension of in-bound bus lane.	0.7m (£0.3m LGF, £0.4m match funding)	

Progress:

- No progress as project currently on hold.

Issue:

- The Joint Transportation Board supported the recommendation to progress with a revised scheme in December 2017.
- Planning for the revised scheme identified that several utility company services would need to be diverted, which would add to the complexity of the scheme and the potential programme duration.
- The significant concerns with the duration and consequences of using the diversion route were raised on a number of occasions by local politicians, local action groups and some residents. This led to the recommendation to delay the start of construction until further investigations took place to assess if there were any suitable alternatives.
- The design and construction team met at the start of April 2018 and suggested that keeping 2-way operation would be possible but that this would add significant additional cost and duration to the project.
- The potential alternative was estimated at £1,350,000 with an estimated works duration of 28 weeks. These figures, whilst robust, were still an estimate as no detailed planning was undertaken given there was no additional funding identified to make up the shortfall.
- The increase in costs for the final agreed scheme would also dilute the benefits and reduce the overall BCR that was approved by the SELEP Accountability Board.

Mitigation:

- The scheme is on hold and further work and liaison with Canterbury CC is to be carried out to establish whether the existing S106 funding could be diverted to an alternative Bus Lane scheme at Kingsmead in Canterbury.
- The existing LGF allocation will need to be returned to SELEP and re-allocated as part of the LGF3B process.

Scheme	Description	Budget	RAG Rating
Fort Halstead	Mixed use development of houses, business park, hotel and village centre.	32.03m (£1.53m LGF, £30.05m match funding)	

Progress:

- In February 2017, the Local Growth Fund allocated provisional funding of £1.53m to the delivery of the Fort Halstead project, a mixed-use development of houses, business park, hotel and village centre.
- The aim is to enable the allocated funding to be used innovatively to enable additional jobs and growth through new business space and supporting infrastructure. The allocation of these funds is subject to confirmation of the full business case.
- The original bid submission as part of the Growth deal profiled a spend of £1.53m in the 2017/18 financial year.

Issue:

- There has been a change in ownership earlier in 2017 of the long leasehold interest in the site from Deutsche Bank to the Merseyside Pension Fund (MPF).
- There has been a reprogramming of the Defence Science & Technology Laboratory (DSTL) relocation from Fort Halstead to Porton Down to December 2020.
- Given the current tenants may not leave the site until 2020, the delivery of a scheme and spend of the LGF allocation before March 2021 is not possible.

Mitigation:

- MPF are continuing to review their future strategy for this key employment led redevelopment site and, as part of that work, Sevenoaks District Council are continuing discussions with them.
- As the scheme at Fort Halstead is not going to be progressed within the timescales of the Growth Deal, a business case was not submitted to SELEP before 16th November 2018 for the existing £1.53m LGF allocation.

Scheme	Description	Budget	RAG Rating
Thanet Parkway	New railway station to the west of the Cliffsend village, Thanet	£24.2m to £27.5m (£10m LGF, £2.65m KCC, further funding required)	

Progress:

- After negotiation with the land owner pertaining to the East Kent Access scheme, access was granted for surveys and a permit for the welfare area has been granted by KCC. Work on site commences on 9th November for approximately 3 weeks with Canterbury Archaeological Trust providing a watching brief. The archaeological report has been finalised and identifies significant finds (as expected from the EKA work), and Network Rail are looking at ways to mitigate any impact on them to avoid a full excavation. GRIP 4 work continues to progress well and is approximately 25% of the way through.

Issue:

- The Project currently has a revised working estimate which will not be confirmed until the end of Grip stage 4 which is due for completion in March 2019
- Alongside the £10m LGF allocation, there is a Kent County Council (KCC) capital contribution of £2.65m.
- The project is not yet able to draw down this LGF allocation owing to a funding gap and need to identify a solution to overcome this.
- KCC made a previous bid to the New Stations Fund 2 (run by Network Rail and the Department for Transport (DfT)) in November 2016 but it was announced in July 2017 that the bid had been unsuccessful.

Mitigation:

- KCC has explored several options to fund the remaining cost of the project, which included investment from the new operator of the South Eastern Rail Franchise and/or the private sector.
- Further work has also been carried out to establish whether investment in the car park at the new station (with its income servicing a loan) would be viable. The use of developer contributions was also considered, although the uncertainty surrounding the Thanet Local Plan and the former Manston Airport site mean that confirmation of any significant contributions would be beyond the timescales required by SELEP to achieve business case sign off.
- Another possibility is to utilise underspend from other LGF schemes, recognising that the Project is a priority not only for KCC but is shown in the Strategic Economic Plan (SEP) as a priority in the area to support investment and remove congestion from the roads. Insufficient underspend has been identified by the Kent and Medway Economic Partnership to date to bridge the funding gap, but this position is being kept under review and consequently a bid for LGF 3b was made.

Scheme	Description	Budget	RAG Rating
A28 Chart Road	Carriageway dualling, junction improvements & NR bridge widening.	£32.77m (£10.2m LGF, £22.57m S106)	

Progress:

- A meeting was held on 16 October with the Chilmington developer which set out a deadline of 2nd November 2018 to provide KCC with the required financial assurances to enable the scheme to proceed. To date this has not been provided and accordingly KCC advised the SELEP Accountability Board on 16th November that the LGF spend deadline of March 2021 cannot be met for this project, which is likely to result in the LGF allocation being reallocated to another project. Delivery of the project will then revert to the s106 trigger of 400 occupations, currently estimated to be in 2022 or 2023. Outstanding design work and preparation of contract documents by Amey is ongoing. Legal are continuing to progress land deals.

Issue:

- The agreed funding arrangement with the Chilmington Green developer is that KCC forward fund their contribution to the project which is paid back over a ten-year period. To safeguard KCC of any risk of non-payment and to recover interest charges, the agreement included a provision for the developer to provide a security bond prior to awarding the construction contract.
- The 6-week security bond notice was issued to Hodson on 14 December 2017, requiring the bond to be provided by 26 January 2018. Although a bond hadn't been provided, positive discussions were ongoing with Hodson, Ashford Borough Council and Homes England at the time leading to a decision to start the vegetation clearance works on 15th February 2018. This was required at the time to keep the project on programme and complete the clearance works before the start of the bird nesting season. When it was clear there were issues with the provision of the bond the vegetation clearance was suspended and finally stopped when the decision was made to defer the scheme from 2018.
- KCC is unable to progress the project and award the construction contract until sufficient financial assurance is provided. There is also a risk that if the scheme is not taken forward that the costs to date will be abortive and therefore become a revenue cost that cannot be claimed from the SELEP allocation. This will also add to the wider programme LGF underspend in later financial years.

Mitigation:

- Following an update report being presented at the Accountability Board meeting on 16th November 2018, SELEP will look to take a formal decision at the next SELEP Board meeting. This decision will follow those options being presented and discussed by KMEP at the meeting on 26th November 2018.

Appendix C – Kent Schemes

Scheme	Description (Delivered by KCC unless stated)	Schem e delive ry by	Budget	LGF Spend (millions) (to 2 decimal places)	Status	RAG Status	Comments	Key Events for Next Period	Target outcome
Local Growth Fund Round 1 Schemes									
A28 Chart Road, Ashford	Carriageway dualling, junction improvements & NR bridge widening.	19/20 (on hold)	£32.77m Made up of: £10.2m LGF £22.57m match	15/16 LGF spend = £0.89 16/17 LGF spend = £0.98 17/18 LGF spend = £0.89 Profiled to spend in 2018/19 = £2.28 (Scheme Delay) 18/19 LGF spend (up to end of October 2018) = Scheme currently on hold	DETAILED DESIGN (Business Case Approved)	→	A meeting was held on 16 October with the Chilmington developer giving an ultimatum of 2nd November 2018 to provide KCC with the required financial assurances to enable the scheme to proceed. At the time of this report, this assurance has not been provided and accordingly KCC will be advising SELEP on 16th November that the LGF spend deadline of March 2021 cannot be met. Delivery of the project will then revert to the s106 trigger of 400 occupations, currently estimated to be in 2022 or 2023. Outstanding design work and preparation of contract documents by Amey is ongoing. Legal are continuing to progress land deals.	KCC to receive confirmation from SELEP regarding the status of the LGF funding. Dependant on that SELEP decision, KCC will issue a press release about the scheme. Amey continuing with the completion of remaining design work. Legal to continue with the completion of the land acquisition.	Jobs = 250 Homes = 600

Sturry Link Road, Canterbury	New link road connecting A28 Sturry Road to A291 Sturry Hill - requires a crossing of both railway & river. Start of works planned for Spring 2019.	20/21	£29.60m Made up of: £5.90m LGF £23.70m match	15/16 LGF spend = £0 16/17 LGF spend = £0.40 17/18 LGF spend = £0.39 Profiled to spend in 2018/19 = £1.0 18/19 LGF spend (up to end of October 2018) = £0.176	DETAILED DESIGN (Business Case Approved)	→	A Strategic Outline Business Case for an additional allocation of £4.5m was submitted under LGF3b. EIA and planning documents are currently being finalised. Tender Selection Process has commenced.	Complete EIA and planning application documentation. Progress Tenderer selection process.	Jobs = 250 Homes = 720
A28 Sturry Road Integrated Transport Package, Canterbury	Extension of in-bound bus lane.	18/19 (on hold)	£0.7m Made up of: £0.3m LGF £0.4m match	15/16 LGF spend = £0.02 16/17 LGF spend = £0.01 17/18 LGF spend = £0.06 Profiled to spend in 2018/19 = £0.00 18/19 LGF spend (up to end of October 2018) = £0.028	DETAILED DESIGN (Business Case Approved)	→	No progress this period as scheme has been placed on hold.	Replanting of trees that were cut down prior to the project being placed on hold will need to take place, ideally during the winter months.	Jobs = 50 Homes = 100
Middle Deal transport improvements, Dover	New road between Albert Road & Church Lane, Deal. Scheme being prepared & delivered by developer. (Delivery by Quinn Estates)	18/19	£1.55m Made up of: £0.8m LGF £0.75m match	15/16 LGF spend = £0 16/17 LGF spend = £0.8 17/18 LGF spend = Match funding only Profiled to spend in 2018/19 = Match funding only	CONSTRUCTION (Business Case Approved)	→	Work has been ongoing to finalising details with the EA for their consent prior to works starting. This will include arranging access for the EA so that they can carry out bi-annual maintenance. Project planning meetings have been held, including an update of the Construction Management Plan in readiness for mobilisation of the next stage of works.	Approval of Reserved Matters Planning submission due towards the end of November 2018 and which will allow a refresh of the S278 agreement. Approval from EA, install Culvert, vegetation strip and ecology Walkover.	Jobs = 150 Homes = 150
Maidstone Integrated Transport	Package of transport improvements.	16/17 to 20/21	£11.85m Made up of: £8.9m LGF £2.95m match	15/16 LGF spend = £0 16/17 LGF spend = £0.27 17/18 LGF spend = £1.11 Profiled to spend in 2018/19 = £2.48 18/19 LGF spend (up to end of October 2018) = £0.072	VARIOUS STAGES OF DELIVERY (Business Cases approved for phase 1 and 2, further approval for Phase 3 is required for remaining £4m allocation)	↑	Phase 1 - A change request will be submitted to SELEP to seek a decision on the allocation for Phase 1 to be used for the A20 London Road j/w Willington Street scheme only. 1) A274 Sutton Road j/w Willington Street - Works have been put on hold	Ongoing work to be carried out on the Phase 3 package of schemes that need to be submitted to SELEP for approval.	Jobs = 1820 Homes = 1725

due to lack of Political support.

2) A20 London Road j/w Willington Street – The scheme design continues to be carried out and was presented at the Maidstone JTB. Risk remains in relation to the relocation of the listed wall and removal of the vegetation.

Phase 2

3) M20 J5/Coldharbour R/bout - Outline design progressing, additional TOPO been carried out but KCC is still awaiting confirmation in relation to the overage on the RBLI land.

Further phases:

4) Wheatsheaf/Cripple Street/Boughton Lane/Armstrong Road/Sheals Crescent - Traffic surveys are being undertaken to allow modelling and further design works to be carried out.

5) Hermitage Lane j/w St Andrews Road - Scheme design currently on hold, concern regarding the capacity improvements and value for money - other options have been assessed but there is a risk of lack of political support.

6) A20 London Road j/w Hall Road - A further scheme to compliment the Hermitage Lane improvements and Phase 2 scheme at Coldharbour is

							being investigated.		
Sittingbourne Town Centre Regeneration (developer delivered), Swale	Re-alignment of St. Michaels' Rd & public realm improvements adjacent to rail station. (Delivery by Spirit of Sittingbourne)	17/18	£4.7m Made up of: £2.5m LGF £2.2m match	15/16 LGF spend = £0.34 16/17 LGF spend = £2.16 17/18 LGF spend = £0.00 Profiled to spend in 2018/19 = Match funding only	CONSTRUCTION (Business Case Approved)	→	Phase 2 Highways works are now completed with funding signage installed to the West and East of the Phase 2 works area. The Contractor is now re-visiting areas of Phase 1 to complete previous commenced works and any remedials. Surfacing works to the new Station Forecourt Public Realm are continuing and the new Sittingbourne Town Centre bus terminal works are also progressing. A stopping up order has been produced for Station Street (site 4) to allow construction of the Leisure site.	First Certificate issued by KCC Agreements for Phase 2. Agree Phase 3 and 4 dates with Contractor and the Traffic Management with KCC Street Works team.	Jobs = 560 Homes = 214 & training facilities
Tunbridge Wells Junction Improvements (Phase 2 - A26 Cycle Route)	Junction improvement & A264 junction changes. Phase 1 works complete. Phase 2 construction planned for 2018/19	15/16 to 18/19	£1.8m LGF	15/16 LGF spend = £0.60 16/17 LGF spend = £0.19 17/18 LGF spend = £0.05 Profiled to spend in 2018/19 = £0.96 18/19 LGF spend (up to end of October 2018) = £0.262	DELIVERED - PHASE 1 DETAILED DESIGN/CONSTRUCTION- PHASE 2 (Business Case Approved for full allocation)	→	1 - Grosvenor Road to Speldhurst Road - Contractor has now started on site with the road widening in readiness for the resurfacing. 2 – Yew Tree Road to Bidborough Ridge - Investigation into the overall benefits and costings of the scheme without Phase 2 is ongoing. 3 - Bidborough Ridge to Brook Street – the design and consultation are to be taken forward during Quarter 2 and Quarter 3 of 2018/19.	Continue with construction of Grosvenor Road to Speldhurst Road link.	Jobs = 105 Homes = 85
West Kent LSTF	A package of measures to support travel by	15/16 to 20/21	Total across 6 years - £9.06m	15/16 LGF spend = £0.8 16/17 LGF spend = £1.31 17/18 LGF spend = £0.33	VARIOUS STAGES OF DELIVERY (Business Case	→	Tunbridge Wells Public Realm phase 2 Tunbridge Wells have agreed the	Tunbridge Wells Public Realm phase 2 – Completion	Jobs = 345 Homes =

	sustainable means. Start of works planned for 2015/16.		Made up of: £4.9m LGF £4.16m match	<p>Profiled to spend in 2018/19 = £0.7</p> <p>18/19 LGF spend (up to end of October 2018) = £0.296</p>	Approved)		<p>latest design and the detailed design is due to be completed at the end of 2018 with works due to start on site in 2019/20.</p> <p>Maidstone East station – Maidstone East - Pub demolition commenced in September 2018 and is due to complete in June 2019 with KCC Street works providing confirmation that the works can continue through the Christmas Embargo. Pre-app meeting was held with MBC/NR and initial views are positive with only a landscaping report required in addition for the full application. NR and Osbourne’s arranging for a time lapse camera to be installed to record the progress with the scheme.</p> <p>Tonbridge Station Interchange – Scheme is progressing well, despite a number of setbacks on site. The works on the frontage to the station have commenced and the Lidl bus stop works are near completion which will allow buses to operate as planned. Programme shows majority of works finished by end of November 2018 with some night time works required going into early December 2018. Members informed. JTB 26th Nov for progress update.</p> <p>Swanley Station – SDC and KCC met and have agreed how the scheme will progress in order that the £1.5m LGF and £750k CIL are not lost and so that the scheme can be delivered within the LEP timescales for LGF spend. It was agreed that the scheme as proposed does meet the CIL</p>	<p>of detail design and pre-scheme surveys.</p> <p>Maidstone East station – Finalise agreement on location for time-lapse camera.</p> <p>Tonbridge Station Interchange – Majority of construction to be completed by end of November 2018.</p> <p>Swanley Station – Southeastern to be instructed to proceed with commissioning the GRIP 4-8 (design and build) contract for the scheme as it stands</p>	393
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							requirements to unlock the £750k match funding, because it will improve the station for all users (including those with disabilities) and will also provide an options report regarding potential schemes to address the access issues at the northern entrance to the station.		
Kent Thameside LSTF	A package of measures to support travel by sustainable means. Start of works planned for 2015/16.	15/16 to 20/21	Total across 6 years - £7.65m Made up of: £4.5m LGF £3.15m match	15/16 LGF spend = £2.05 16/17 LGF spend = £0.48 17/18 LGF spend = £0.72 Profiled to spend in 2018/19 = £0.49 18/19 LGF spend (up to end of October 2018) = £0.131	VARIOUS STAGES OF DELIVERY (Business Case Approved)	→	Barrack Row Bus Hub – An engagement event is planned for 11th and 13th February 2019 together with a newsletter to residents and an online update via Kent.gov.uk. KCC to meet with Gravesham Access Group in early 2019 and a Members Briefing on 27th February 2019. Princes Rd cycle route – An update was provided to the JTB on 4th September 2018 and no comments were received. Construction is now planned for Spring 2019 following a new road safety audit being carried out. Burnham Rd Toucan - Construction is now complete and signals are on and working. Gravesend Station to Cyclopark cycle route – Further work to update the designs, road safety audit and costs are being carried out which will inform the overall delivery programme.	Barrack Row Bus Hub – Site meeting with design team to be held in November 2018. Princes Rd cycle route - TRO consultation starts 16th November 2018 for 24 Days. Burnham Rd Toucan - Press release to be finalised to promote the completion of the scheme. Gravesend Station to Cyclopark cycle route – Progress detailed design	Jobs = 843 Homes = 657
Kent Strategic Congestion Management	Package of congestion management initiatives. Start of works planned	15/16 to 20/21	Total across 6 years - £4.8m LGF	15/16 LGF spend = £0.86 16/17 LGF spend = £0.69 17/18 LGF spend = £0.60 Profiled to spend in	VARIOUS STAGES OF DELIVERY (Annual supplementary Business Cases	→	2015/16 schemes completed (HMC Technology Refresh - Database/CCTV & VMS) 2016/17 schemes completed (A292	Additional schemes are being investigated and will form part of the next business case submission to	Jobs = 1903 Homes = 2230

program- me	for 2015/16.			2018/19 = £0.85 18/19 LGF spend (up to end of October 2018) = £0.112	are required to secure future years' funding)		<p>Mace Lane/ Wellesley Road, & Somerset Road/ Canterbury Road junction improvements in Ashford). 2017/18 schemes completed (Barton Hill Drive temporary improvement and Dartford Network Improvements)</p> <p>2018/19 schemes: A229 Bluebell Hill CITS Scheme - A229 GLOSA road side unit and CCTV now installed, with bespoke written software uploaded at site. Site went live ahead of international testing week (w/c 8th Oct) and delivery of first in-car unit taken for initial equipment tests. Further in car units expected in batches over next 2 month period where they will be fitted to 20 KCC fleet vehicles, with appropriate training. Start of Pilot scheme now delayed until January 2019 and DfT, in conjunction with other European partners, have requested a formal project extension of 6 months to INTERCOR.</p> <p>Wateringbury Crossroads – outline design is now complete with detailed design in progress.</p> <p>Tunbridge Wells link assessment – An assessment report is underway to scope out the project and desired outcomes.</p> <p>Dover TAP/ ITS assessment - Planning ongoing for KCC alongside work being undertaken by Atkins on the HE network.</p>	SELEP to unlock the final two years allocation for this project.	
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<p>Kent Sustainable Interventions programme</p>	<p>Package of smaller transport interventions. Start of works planned for 2015/16.</p>	<p>15/16 to 20/21</p>	<p>Total across 6 years - £3m LGF (£0.5m annually)</p>	<p>15/16 LGF spend = £0.14 16/17 LGF spend = £0.41 17/18 LGF spend = £0.53</p> <p>Profiled to spend in 2018/19 = £0.61</p> <p>18/19 LGF spend (up to end of October 2018) = £0.129</p>	<p>VARIOUS STAGES OF DELIVERY (Annual supplementary Business Cases are required to secure future years' funding)</p>	<p>→</p> <p>2015/16 schemes completed (Sittingbourne TC & Dartford cycle routes, South Street & Deal).</p> <p>2016/17 schemes completed (Folkestone Town Centre - Schools to Harbour Cycle links, Thames Greenway Cycle path, Folkestone to Dymchurch Cycle improvements, Highfield Lane/Kingsford Street, Mersham, Ashford & A21 NMU via Pembury Road, Tunbridge Wells, Tonbridge Angels to Rail Station cycle improvements).</p> <p>2017/18 schemes completed (Morants Court Roundabout - Polhill, Sevenoaks & Kent Spa, Castle Ride cycle & Folkestone to Hythe Cycle Improvements. Morehall to Folkestone Central Station Cycle Route)</p> <p>2018/19 schemes: Sloe Lane, Thanet Scheme on hold due to increasing costs and substantial land issues.</p> <p>A228 Holborough, T&M Design in progress with speed surveys undertaken.</p>	<p>Additional schemes are being investigated and will form part of the next business case submission to SELEP to unlock the final two years allocation for this project.</p>	<p>Jobs = 1335 Homes = 1440</p>
<p>Kent Rights of Way improvement plan</p>	<p>Package of ROWIP measures. Start of works planned for 2015/16.</p>	<p>15/16 to 20/21</p>	<p>Total across 6 years - £0.3m LGF</p>	<p>15/16 LGF spend = £0.19 16/17 LGF spend = £0.06 17/18 LGF spend = £0.14</p> <p>Profiled to spend in 2018/19 = £0.20</p> <p>18/19 LGF spend (up to end of October 2018) =</p>	<p>VARIOUS STAGES OF DELIVERY (Business Case Approved)</p>	<p>→</p> <p>2015/16 schemes completed (Loose Greenway)</p> <p>2016/17 schemes completed (Finberry to Ashford scheme - Path improvement scheme completed on 12th March 2018 in line with expected completion date)</p>		<p>Jobs = 140 Homes = N/A</p>

				£0.152			<p><u>2017/18 schemes in progress - Powder Mills scheme (Leigh to Tonbridge).</u> Works are ongoing following commencement on site in September 2018. Construction of haulage access track completed on schedule, but work programme for surfacing the PRoW has slipped due to recent wet weather and members of the public ignoring closure signs at each end of the path.</p> <p><u>2018/19 feasibility schemes - St Peter's Village scheme (extension from Aylesford to Burham).</u> Feasibility and route inspections continue so that costings of improvement works can be calculated. Three barriers exist along the route which need to be removed or altered to improve access.</p>	<p>Powder Mills scheme- Monitor contractor activity. Ensure works are being delivered to specification. Also need to start work on Legal Order to convert the Footpath to a Cycle Track.</p> <p>St Peter's Village scheme - KCC are aiming to complete the improvement works this financial year.</p>
Innovation Investment Fund (Growth Hub Capital)	Loan support programme.	15/16 to 20/21	Total £6m (£1m annually)	<p>15/16 LGF spend = £0 16/17 LGF spend = £0.39 17/18 LGF spend = £2.95</p> <p>Profiled to spend in 2018/19 = £1.88</p> <p>18/19 LGF spend (up to end of October 2018) = £0.000</p>	PHASE 7 (Business Case approved)	→	<p>Phase 1 agreed at I3 Approval Board and accepted by applicants to a value of £388,500 with private leverage of £418,500</p> <p>Phase 2 Complete with £700,000 of loans agreed and defrayed in full to R&B, Tillet, Ovenden and Petitt.</p> <p>Phase 3 Complete with £400,000 of loans agreed and defrayed in full to Green Barn and Darent Wax.</p> <p>Phase 4 Complete, with £950,000 defrayed in full to Betteshanger Sustainable Parks.</p> <p>Phase 5 complete with £375,000 defrayed in full to West Design.</p>	<p>Progress Phase 7 loans for taking forward to I3 Approval Board decision</p>

							Phase 6 complete with Bulgaro (£350k) and Task Masters (£100k) approved and money drawn down. Phase 7 submission window has now closed to applicants with three companies being taken forward with a total loan value of £1.151m. (Exroid Tech Ltd - £400,950, Ming Foods Ltd - £500k and Structural & Weld Testing - £250k)		
A226 London Rd/B255 St Clements Way, Dartford	Junction improvements.	19/20	£6.9m Made up of: £4.2m LGF £2.7m match	15/16 LGF spend = £0 16/17 LGF spend = £0.73 17/18 LGF spend = £0.85 Profiled to spend in 2018/19 = £1.95 18/19 LGF spend (up to end of October 2018) = £1.462	CONSTRUCTION (Business Case approved)	→	Newsletter No. 6 issued and briefing held with County members to provide an update on the scheme and to confirm programme for remaining works. Construction works are progressing, with works concentrated on the Crossways Boulevard roundabout to ensure the area is ready for the surfacing works planned to commence in November 2018.	Construction works continuing with surfacing works under night-time closures programmed for November. Newsletter No. 7 to be issued prior to Christmas period, confirming details of the programme in the new year.	Jobs = 2395 Homes = 890
Thanet Parkway, Thanet	New rail station.	20/21	Project cost under review (£10m LGF)	Awaiting Business Case Approval 18/19 LGF spend (up to end of October 2018) = £ 0	GRIP STAGE 4 (Business Case submitted to ITE for review)	→	After negotiation with the land owner pertaining to the East Kent Access scheme, access was granted for surveys and a permit for the welfare area has been granted by KCC. Work on site commences in November with Canterbury Archaeological Trust providing a watching brief. The archaeological report has been finalised and identifies significant finds (as expected from the EKA work), and Network Rail are looking at ways to mitigate any impact on them to avoid a full excavation. GRIP 4 work continues to progress well and is approximately 25% of the way through.	Initial indication of the results of the ground investigation surveys. Risk assessment workshop will be held at Ashford Rail Maintenance Depot on 7th December to determine whether upgrades will need to be made to the two level crossings or if a mitigation scheme is acceptable. Continuation of the GRIP 4 design and output from the highway design.	Jobs = 2100 Homes = 800

<p>SELEP Coastal Communities</p>	<p>Housing-led economic regeneration in Cliftonville West/Margate Central (Delivery by Thanet DC)</p>	<p>20/21</p>	<p>£1.529m Made up of: £0.666m LGF £0.863m match</p>	<p>17/18 LGF spend = £0.06 Profiled to spend in 2018/19 = £0.51 18/19 LGF spend (up to end of October 2018) = £0.059 (estimate from third party - not transferred from KCC)</p>	<p>CONSTRUCTION (Business Case approved)</p>	<p>→</p>	<p>1. Ethelbert Crescent – 24 Ethelbert Crescent, Margate. 3 flats, 2 x 4 bed units and 1 x 2 bed. On site - Construction phase week 18 of a 34-week contract. Total contract value £443k. Contractor WW Martin awarded 22nd July 2018, no reported delays as yet. Project is within budget. 2. Warwick Road 17-21 Warwick Road, 9 x 2 bed flats. Out to tender as at 17.10.18. Tenders due back 23.11.18. Anticipated contract award date December 2018.</p>	<p>TDC and KCC have both sealed the legal agreement. KCC to review spend to date on scheme and feedback to TDC to allow invoice and payment of spend incurred to date.</p>	<p>Jobs = TBC Homes = TBC</p>
<p>Local Growth Fund Round 2 Schemes</p>									
<p>Dover Western Dock Revival</p>	<p>Package of highway improvements. (Delivery by Dover Harbour Board)</p>	<p>15/16 to 19/20</p>	<p>£5m LGF</p>	<p>15/16 LGF spend = £0 16/17 LGF spend = £4.73 17/18 LGF spend = £0.09 Profiled to spend in 2018/19 = match funding only</p>	<p>CONSTRUCTION (Business Case approved)</p>	<p>→</p>	<p>The new junction layout has continued to run well alongside other developments that are continuing in the area, notably the St James retail development and the Port’s Western Docks Regeneration. There have been some issues with the road surface which has caused a delay in settling the final retention payment to the main contractor. These are currently being inspected and any repair work will likely result in some temporary lane closures. In terms of the Marina Pier – which was a key investment committed to by the Port as part of the SELEP A20 funding, this is progressing on time alongside the whole DWDR project.</p>	<p>Receive final invoice and evidence from DHB based on Retention from main contractor.</p>	<p>Jobs = 1685 Homes = 500 & Enables broader Western Docks Revival scheme</p>

<p>Ashford International Rail Connectivity (Ashford Spurs)</p>	<p>Signalling upgrade to maintain international rail services at Ashford (Delivery by Network Rail)</p>	<p>16/17 to 18/19</p>	<p>£8.6m Made up of: £0.7m partner funding; £7.9m LGF</p>	<p>15/16 LGF spend = £0 16/17 LGF spend = £0.17 17/18 LGF spend = £4.17 Profiled to spend in 2018/19 = £1.92 18/19 LGF spend (up to end of October 2018) = £0.785</p>	<p>GRIP STAGE 6 (Business Case approved)</p>	<p>→</p>	<p>Partnership work continues to identify, design, procure and deliver a resolution to the technical issues which have prevented Eurostar's new Class 374 trains from serving Ashford International.</p>	<p>Report by Network Rail / HS1 / Eurostar to Ashford Spurs Project Board outlining project programme to deliver resolution to technical issues.</p>	<p>Jobs = 1000 Homes = 350 & Retain International Rail Services</p>
<p>M20 Junction 10A (now a full junction to be delivered by Highways England)</p>	<p>New Motorway Junction in Ashford (Delivery by Highways England)</p>	<p>19/20</p>	<p>£104.4m Made up of: £19.7m LGF £16m match £68.7m Highways England</p>	<p>Allocation for 2017/18 onwards (Direct from SELEP) 17/18 LGF profiled spend = £8.30 Profiled to spend in 2018/19 = £11.40</p>	<p>CONSTRUCTION (Business Case approved)</p>	<p>→</p>	<p>Works have started on site and HE have ongoing liaison with KCC. The Church Road footbridge has been removed and the works to realign the A2070 continue alongside works on the new Junction 10a gyratory overbridge. Earth works for the new A2070 roundabout and link road to the new Junction 10a are continuing.</p>	<p>Further works to install the new bridge and Church Road footbridge are due for completion in early 2019, with scheme open to traffic in Q3 2019 and final scheme completed in Q2 2020.</p>	<p>Jobs = 900 Homes = 1700</p>

Local Growth Fund Round 3 Schemes

<p>Dartford Town Centre Transformation</p>	<p>Part of a wider programme of work aimed at improving the economic performance of Dartford town centre through public sector funding of transport/public realm improvements. (Delivery by Dartford BC)</p>	<p>21/22</p>	<p>£12m Made up of: £4.3m LGF £7.7m match</p>	<p>Profiled to spend in 18/19 = £2.25 18/19 LGF spend (up to end of May 2018) = £0 18/19 Match spend (up to end of October 2018) £0.000 (Estimate being reviewed by KCC)</p>	<p>OUTLINE DESIGN (Business Case approved)</p>	<p>→</p>	<p>The outline design for Stage 1 (Market Street) is now complete and the detailed design stage has now commenced.</p>	<p>Detailed design Technical Audit Stage 2 schedule for submission 25-1-19.</p>	<p>Jobs = 1811 Homes = 2341</p>
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Fort Halstead, Sevenoaks	Mixed use development of houses, business park, hotel & village centre. (Delivery by Sevenoaks BC)	21/22	£32.03m Made up of: £1.530m LGF £30.5m match	Awaiting Business Case Approval 18/19 LGF spend (up to end of May 2018) = £ n/a	FEASIBILITY (Business Case being prepared)	→	SDC have confirmed that the MoD will not be relocating from the site until December 2020, which makes a scheme at Fort Halstead unfeasible in the LGF timescales.	A business case was not submitted before the SELEP deadline of 16th November 2018.	Jobs = 1100 Homes = 450
A2500 Lower Road Improvements, Isle of Sheppey	Scheme to realign & improve the capacity of A2500 Lower Road/ Barton Hill Junction.	18/19	£1.805m Made up of: £1.265m LGF £0.54m match	17/18 LGF spend = £0.30 Profiled to spend in 2018/19 = £0.58 18/19 LGF spend (up to end of October 2018) = £1.008	CONSTRUCTION (Business Case Approved)	→	Phase 1 - Site works progressing to programme. Earthworks complete with drainage and roadworks both 85% complete. Phase 2 - Detailed Design Progressing. Alignment at approach to roundabout at Cowstead Corner and form of junction with access to business all agreed.	Phase 1 - Progress construction works. Complete formal Transfer of land for Phase 1. Phase 2 - Agree land take and agree Hoft's and progress formal land transfer. Progress detailed design. Review Traffic Management requirements and agree principals with Street works Co-ordinator.	Jobs = 1500 Homes = 892
Kent & Medway Engineering, Design, Growth & Enterprise (EDGE) Hub	Scheme to construct & equip the Kent & Medway EDGE Hub. (Delivery by Canterbury Christ Church University)	19/20	£21m Made up of: £6.12m LGF £14.88m match	17/18 LGF spend = £1.95 Profiled to spend in 2018/19 = £2.5 18/19 LGF spend (up to end of October 2018) = £1.238	CONSTRUCTION (Business Case Approved)	→	The main construction contract has now been let and the contractor is on site, with a high degree of confidence that the building will be delivered on time (this was tested robustly during the procurement process and repayment clauses have been included in the contract to incentivise timely delivery of the project). The final cost of Building 2 (where the EDGE Hub will be based) is higher than was originally anticipated, but this will not affect delivery of the space and facilities requirements for the EDGE Hub.	A Project Planning workshop is being held on 4th December. This follows a series of review meetings with individual workstream leads and will focus on the steps required to ensure that targets to March and October are achieved, considering key risks, assumptions, issues and dependencies, and agreeing mitigating actions when required. Adjustments will be made to the Project Plan in the light of this.	Jobs = 398 Homes = 0 Learners = 1250
Leigh Flood Storage Area & East Peckham - unlocking	Scheme to reduce the risk of flooding in the catchment. (Delivery by Environment)	22/23	£24.691m Made up of: £4.636m LGF £20.055m match	Profiled to spend in 2018/19 = £0.850 18/19 LGF spend (up to end of October 2018) =	FEASIBILITY (Phase 1 Business Case approved by SELEP in September 2018)	→	Contract for outline design and Outline Business Case (OBC) completed. Public meetings arranged to inform public in Hildenborough and Tonbridge (end Nov.18). Contract for	Award of detailed design contract. Draft submission for changing River Medway 1976 act of Parliament to Defra for review. Planning submission draft for Local	Jobs = 70 Homes = 850

growth	Agency)			£0.000 Business Case now approved to enable drawdown of LGF allocation by the EA.			detailed design in draft format. Ongoing consultation with landowners in storage reservoir and Hildenborough.	Authority review. OBC submission.	
A2 off-slip at Wincheap, Canterbury	Scheme to deliver an A2 off-slip in the coastbound direction, to improve accessibility to Canterbury. (Delivery by Pentland Homes)	20/21	£10.055m Made up of: £4.4m LGF £5.655m match	Awaiting Business Case Approval 18/19 LGF spend (up to end of October 2018) = £ n/a	FEASIBILITY (Business Case being prepared)	→	Highways England has accepted the revised modelling and the Growth and Housing bid has moved through the value management stage. If approved by HE, this scheme will be awarded £4.4m GHF and therefore the £4.4m LEP funding will be surplus to the funding requirement.	Confirmation of GHF bid by the end of November 2018.	Jobs = 1685 Homes = 1150

ADDITIONAL SCHEMES

Open Golf Champions hip 2020	Transport Improvements at Sandwich Station (Delivery by Network Rail)	19/20	£3.546m Made up of: £1.09m LGF	Profiled to spend in 2018/2019 = 0.665 18/19 LGF spend (up to end of October 2018) = £0.040	Grip Stage 3 (Business Case Approved)	→	The Implementation Agreement (IA) to support project stages Grip 4 to 8 is near to completion and is due to be finalised before end 2018. This will support the project from Feb 2019 onwards. The tender process for award of contract for the design stage has been initiated, and design stage is planned to commence in Feb 2019. The project remains on target for overall completion by end March 2020.	Tenders returned for contract award for design stage, and completion of IA for Grip 4 to 8.	Jobs = TBC Homes = TBC
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SCHEMES COMPLETED OR REMOVED

Folkestone Seafront Resurfacing Shepway	Resurfacing of Tontine Street (in conjunction with S106 works).		£0.65m Made up of: £0.5m LGF £0.15m S106	Scheme Delivered – 2015/16	N/A
Maidstone Gyratory Bypass, Maidstone	A229 Gyratory Bypass, Fairmeadow.		£5.74m Made up of: £4.6m LGF £1.14m match	Scheme Delivered – December 2016	Jobs = 1250 Homes = 2000
M20 Junction 4 Eastern Overbridge	Widening of existing motorway overbridge.		£5.69m Made up of: £2.2m LGF £3.49m match	Scheme Delivered – February 2017	Jobs = 745 Homes = 1695
Tonbridge Town Centre Regeneration	Tonbridge High Street and adjacent transport improvements.		£2.65m Made up of: £2.4m LGF £0.25m match	Scheme Delivered (Phase 1 completed - High Street improvements June 2016 Phase 2 completed - River Walk improvements April 2017 / Hadlow Road/Cannon Lane jct improvements completed September 2016)	Jobs = 366 Homes = 1000
Maidstone sustainable access to employment areas	New River Medway Pathway between Aylesford & Allington Lock.		£3m Made up of: £2m LGF £1m match	Scheme Delivered (Main works complete - May 2017).	Jobs = 350 Homes = 475
Rathmore Road Link, Gravesend	New 2-way link road between Stone Street & Darnley Road		£9.5m Made up of: £4.2m LGF	Scheme Delivered in January 2018 (Opening ceremony held on Friday 19 th January 2018)	Jobs = 215 Homes = 390

			£5.3m match		
Folkestone Seafront (developer delivered)	Construction of platform & sea defences to facilitate development of Seafront.		£22.11m Made up of: £5m LGF £17.11m match	Scheme Delivered (Main works complete – April 2018)	Jobs = 450 Homes = 1000
Westenhanger Lorry Park	Removed from programme following approval by KMEP & AB				

Summary of Kent Schemes according to RAG rating

November 17	January 2018	March 2018	May 2018	July 2018	September 18	November 2018
2 red	3 red	4 red	6 red	5 red	5 red	4 red
14 amber	10 amber	10 amber	8 amber	9 amber	9 amber	10 amber
11 green	13 green	12 green	12 green	12 green	12 green	12 green
1 is not required to spend until later in the programme; 1 removed and 5 complete	1 is not required to spend until later in the programme; 1 removed and 6 complete	1 is not required to spend until later in the programme; 1 removed and 6 complete	1 is not required to spend until later in the programme; 1 removed and 6 complete	1 removed and 7 complete	1 removed and 7 complete	1 removed and 7 complete
(Total) 34	34	34	34	34	34	34

Methodology

Green (business case approved, funding fully secured and delivery on target).
 Amber (funding not yet secured; or scheme delay or funding issue which can be mitigated);
 Red (funding not yet secured and significant cost or delivery issues).

Key for Kent spreadsheet: The arrows denote the direction of travel.

↑	denotes significant improvement/progress in scheme delivery
→	denotes a similar position as reported at the last KMEP meeting
↓	denotes scheme delivery experiencing a delay

Appendix D – Medway Schemes

Scheme	Description	Scheme delivery by	Budget and LGF spend	Status	RAG Status	Comments	Key Events for Next Period	Target out-comes
Local Growth Fund round 1 schemes								
A289 Four Elms roundabout to Medway Tunnel	Highway capacity improvements to provide journey time savings and reduced congestion.	End of 20/21	<p><u>BUDGET</u></p> <p>Revised budget = £11.564m* Made up of: - £11.1m LGF - £0.464m match funding</p> <p><u>LGF SPEND</u></p> <p>15/16 LGF spend = £0.298m 16/17 LGF spend = £0.402m 17/18 LGF spend = £0.347m</p> <p>Profiled to spend in 2018/19 = £1.88m*</p> <p>* As agreed at the SELEP Accountability Board meeting on 15th June 2018</p>	OUTLINE DESIGN (Outline Business Case Approved)	→	<p>A revised Business Case was considered by Accountability Board on 23rd February 2018 and approval was given for the release of an initial £3.5m of the LGF allocation. A Full Business Case will be brought forward for consideration, during 2019/20.</p> <p>The Outline Design for the scheme has now been completed and work has commenced on the Detailed Design.</p> <p>Medway Council's HIF bid (for infrastructure works in support of the Local Plan) has passed the first stage of the assessment process and is being progressed to stage 2. The opportunity therefore exists to align the current A289 LGF scheme with the proposed HIF interventions. Realisation of this opportunity will allow the incorporation of the LGF works into a holistic scheme which offers wider benefits and adds value to the current project. To facilitate this approach, a two year extension to the LGF funding period would be required in order to align the HIF and LGF proposals along with the construction and delivery programme. Under the alternative scenario, the existing delivery programme would be maintained. In order to facilitate this, work will continue on the planning application and land acquisition processes in advance of the decision on the Council's HIF bid.</p>	<p>Work will continue on Detailed Design, with completion expected by the end of December 2018. A red line plan will be produced which illustrates the scale of land-take required. This will inform the land acquisition negotiations.</p> <p>Work will begin on amending the planning application as required to address the changes to the scheme proposals.</p> <p>Formal proposals relating to the requested extension will be submitted, in close consultation with SELEP.</p>	<p>Jobs = 7688</p> <p>Homes = 4433</p>

<p>Strood town centre</p>	<p>Journey time and accessibility enhancements to the town centre including changes to the highway and improved public realm</p>	<p>End of 18/19</p>	<p>BUDGET Total budget = £10.27m</p> <p>Made up of: - £9.0m LGF - £1.27m match funding</p> <p>LGF SPEND 15/16 LGF spend = £0.2m 16/17 LGF spend = £1.772m 17/18 LGF spend = £0.944m</p> <p>Profiled to spend in 2018/19 = £6.085m*</p> <p>* As agreed at the SELEP Accountability Board meeting on 15th June 2018</p>	<p>CONSTRUCTION (Business Case Approved)</p>	<p>→</p> <p>The new Strood train station building opened to the public in December 2017.</p> <p>A well-attended event was held on 28th August to mark the completion of the first phase of the LGF works and to promote future phases of the project.</p> <p>A request to extend the project to 19/20 will be considered by Accountability Board in November. Until this has been approved, the project's RAG status has been amended to amber.</p>	<p>Work will continue on-site to deliver the remainder of the project.</p>	<p>Jobs = 360-450 Homes = 600-815</p>
<p>Chatham town centre placemaking and public realm package</p>	<p>Improving the link between Chatham railway station and Chatham town centre and waterfront area and provision of a new civic space.</p>	<p>End 18/19</p>	<p>BUDGET Total budget = £4.9m</p> <p>Made up of: - £4.0m LGF - £0.9m match funding</p> <p>LGF SPEND 15/16 LGF spend = £0.870m 16/17 LGF spend = £0.945m 17/18 LGF spend = £0.881m</p> <p>Profiled to spend in 2018/19 = £1.303m*</p> <p>* As agreed at the SELEP Accountability Board meeting on 15th June 2018</p>	<p>CONSTRUCTION (Business Case Approved)</p>	<p>→</p> <p>Work has almost concluded on the route improvements between the train station and the town centre.</p> <p>Network Rail has been granted planning consent for the proposed forecourt improvement works at Chatham train station. Following discussions with Network Rail it has been agreed that, in order to accelerate delivery, Medway Council will lead on delivery of the works in line with Network Rail's approved design.</p>	<p>Construction work on the route improvements will continue.</p> <p>Forecourt improvement works at Chatham train station will begin as soon as the remaining information is obtained from Network Rail.</p>	<p>Jobs = 6271 Homes = 3682</p>

<p>Medway Cycling Action Plan</p>	<p>A range of measures designed to improve access to cycling in the Medway area and improve upon and expand existing cycle facilities.</p>	<p>1st phase in 15/16, then annually until mid-18/19.</p>	<p>BUDGET Total budget = £2.8m</p> <p>Made up of: - £2.5m LGF - £0.3m match funding</p> <p>LGF SPEND 15/16 LGF spend = £0.228m 16/17 LGF spend = £1.15m 17/18 LGF spend = £0.919m</p> <p>Profiled to spend in 2018/19 = £0.203m*</p> <p>* As agreed at the SELEP Accountability Board meeting on 15th June 2018</p>	<p>CONSTRUCTION (Business Case Approved)</p>	<p>→</p> <p>Work has continued on-site to deliver the majority of the proposed cycle route improvements, including Gillingham Business Park, Riverside Country Park, Lordswood Lane, A289 between The Strand and Owens Way and Beechings Way phase 2.</p> <p>The project remains on track for completion by the end of 2018/19.</p>	<p>Work will continue on-site to deliver the remaining cycle route improvements.</p>	<p>Jobs = 390 Homes = 261</p>
<p>Medway City Estate connectivity improvement measures</p>	<p>An integrated package of infrastructure measures aimed at addressing the existing barriers to movement to and from and within the Medway City Estate.</p>	<p>Early interventions starting in 15/16 with second part of the project by end of 19/20.</p>	<p>BUDGET Total budget = £2.094m</p> <p>Made up of: - £2m LGF - £0.094m match funding</p> <p>LGF SPEND 15/16 LGF spend = £0.3m 16/17 LGF spend = £0.181m 17/18 LGF spend = £0.035m</p> <p>Profiled to spend in 2018/19 = £0.462m*</p> <p>* As agreed at the SELEP Accountability Board meeting on 15th June 2018</p>	<p>PHASE 1 – COMPLETE PHASE 2 - DEVELOPMENT OF SUSTAINABLE TRANSPORT INTERVENTIONS - (Business Case Approved)</p>	<p>↑</p> <p>Phase 1 works, which focus on improving egress from Medway City Estate are complete. The new traffic signals are operational, and indications are that there has been an improvement in journey times for vehicles leaving Medway City Estate during the evening peak.</p> <p>Discussions have continued regarding the content of phase 2 of the project, with input being sought from businesses and users of the estate. Feedback suggests that the original phase 2 proposal around a river taxi is not supported by user demand. Officers are considering revised and alternative proposals for phase 2 of the project, which are likely to require the submission of a revised Business Case. Therefore, the project's RAG rating has been changed to red.</p>	<p>The impact the phase 1 works have had on the flow of traffic leaving Medway City Estate will continue to be monitored.</p> <p>Proposals for phase 2 of the project, and the development of the associated Business Case as appropriate, will be developed during Q3 and Q4 of 2018/19.</p>	<p>Jobs = 390</p>

Non-transport schemes - LGF rounds 2 and 3								
Rochester Airport - phase 1	Introduction of Innovation Park Medway. Phase 1 of the project involves improvements to airport infrastructure - works which are required to facilitate the development of the Innovation Park.	19/20	<p>BUDGET Total budget = £4.4m</p> <p>Made up of: - £4.4m LGF - £0.0m match funding – phase 1 only</p> <p>LGF SPEND 15/16 LGF spend = £0.0m 16/17 LGF spend = £0.179m 17/18 LGF spend = £0.182m</p> <p>Profiled to spend in 2018/19 = £0.318m*</p> <p>* As presented at the SELEP Accountability Board meeting on 14th September 2018</p>	<p>OUTLINE DESIGN (Business Case approved)</p>	→	<p>Following an independent review of construction costs which highlighted that it was no longer possible to deliver all the outputs as stated in the original Business Case, a change in project outputs was proposed. In June 2018 SELEP Accountability Board approved this change, on the basis that all project outcomes, including safeguarding existing jobs, creating new jobs, releasing the land required for Innovation Park Medway and safeguarding the future of Rochester Airport would still be met.</p> <p>Rochester Airport Ltd. have now submitted their planning application and EIA Screening documents to Medway Council.</p>	<p>Work will continue to prepare the procurement documents needed to appoint a contractor to deliver the airport infrastructure improvements. This work will be undertaken by a consultant appointed by Medway Council.</p> <p>The planning application will be considered.</p>	Jobs = 37
Rochester Airport	Introduction of an Innovation	20/21	<p>BUDGET Total budget = £48.67m</p>	<p>BUSINESS CASE NOT YET</p>	→	<p>It is anticipated that work will commence on this project in 2018/19, following receipt of</p>	<p>Submission of the Business Case in</p>	Jobs = 1544

- phase 2	Park at Rochester Airport. Phase 2 of the project involves infrastructure works to enable the development of the Innovation Park.		<p>Made up of: - £3.7m LGF - £44.97m match funding</p> <p>LGF SPEND 15/16 LGF spend = £0.0m 16/17 LGF spend = £0.0m 17/18 LGF spend = £0.0m</p> <p>Profiled to spend in 2018/19 = £0.210m* * As agreed at the SELEP Accountability Board meeting on 15th June 2018</p>	APPROVED		Accountability Board approval of the Business Case. Submission of the Business Case is dependent upon phase 1 of the project progressing, however, submission is expected in November 2018.	November 2018.	
Civic Centre site, Strood - flood mitigation measures	Improvements to flood defences at the former Civic Centre site to enable the development of the site. The former Civic Centre is a prime development site offering views across the river to Rochester Castle and Cathedral.	18/19	<p>BUDGET Total budget = £92m</p> <p>Made up of: - £3.5m LGF - £88.5m match funding</p> <p>LGF SPEND 15/16 LGF spend = £0.0m 16/17 LGF spend = £0.0m 17/18 LGF spend = £1.122m</p> <p>Profiled to spend in 2018/19 = £2.378m* * As agreed at the SELEP Accountability Board meeting on 15th June 2018</p>	CONSTRUCTION (Business Case approved)	→	Planning consent has been granted, detailed design completed and piling work has now commenced onsite.	Delivery will continue onsite.	Jobs = 610 Homes = 325

Summary of Medway Schemes according to RAG rating.

November 17	January 2018	March 2018	May 2018	June 2018	September 18	November 18
0 red	0 red	0 red	1 red	0 red	0 red	1 red
2 amber	2 amber	1 amber	0 amber	3 amber	3 amber	4 amber
4 green	4 green	6 green	6 green	5 green	5 green	3 green
2 not required to spend until later	2 not required to spend until later	1 not required to spend until later	1 not required to spend until later	0 not required to spend until later	0 not required to spend until later	0 not required to spend until later
8						

Methodology

Green (business case approved, funding fully secured and delivery on target).
 Amber (funding not yet secured; or scheme delay or funding issue which can be mitigated);
 Red (funding not yet secured and significant cost or delivery issues).

Key for Kent spreadsheet: The arrows denote the direction of travel.

↑	denotes significant improvement/progress in scheme delivery
→	denotes a similar position as reported at the last KMEP meeting
↓	denotes scheme delivery experiencing a delay

FOR INFORMATION ONLY PAPERS
KMEP 26th November 2018

FOR INFORMATION ITEM A

Subject: Future Meeting Dates for KMEP and SELEP

KMEP Board Meeting Dates

The next Kent & Medway Economic Partnership meeting date is:

- Mon 28 January 2019 – Village Hotel, Maidstone
- Mon 25 March 2019 – Village Hotel, Maidstone
- Tuesday 25 June 2019 – Venue TBC
- Tuesday 24 September 2019 – Venue TBC
- Tuesday 26 November 2019 – Venue TBC
- Tuesday 28 January 2020 – Venue TBC
- Tuesday 17 March 2020 – Venue TBC

Each meeting starts at 5pm and finishes at 7pm.

SELEP Strategic Board Meeting Dates

The SELEP Strategic Board meeting dates are:

- Thursday 25 October 2018
- Friday 7 December 2018
- Friday 22 March 2019
- Friday 28 June 2019
- Friday 4 October 2019
- Friday 6 December 2019
- Friday 20 March 2020

All meetings will be held at High House Production Park and start at 10am.

SELEP Accountability Board Meeting Dates

The future SELEP Accountable Board meeting dates are:

- Friday 15 February 2019
- Friday 12 April 2019
- Friday 7 June 2019
- Friday 13 September 2019
- Friday 15 November 2019
- Friday 14 February 2020

All meetings will be held at High House Production Park and start at 10am.